

## Message Text

CONFIDENTIAL

PAGE 01      CAIRO 17482 181028Z  
ACTION SS-25

INFO OCT-01 ISO-00 SSO-00 NSCE-00 /026 W  
----- 056036 /13  
O 181000Z DEC 76  
FM AMEMBASSY CAIRO  
TO SECSTATE WASHDC IMMEDIATE 9855

C O N F I D E N T I A L CAIRO 17482

EXDIS

FOR DEPUTY SECRETARY ROBINSON, ASSISTANT SECRETARY  
ATHERTON AND NE ASSISTANT ADMINISTRATOR NOOTER  
FROM AMBASSADOR

E.O. 11652: GDS  
TAGS: EAGR EAID EFIN EG  
SUBJ: CCC EXPORT CREDIT SALES PROGRAM (GSM-4) TITLE I PROGRAM  
IN EGYPT

REF: CAIRO 17478

1. I INVITE YOUR ATTENTION TO REFTEL, WHICH EXPRESSES  
OUR SURPRISE AND CONCERN ABOUT POSITION ASSUMED BY  
USDA ON CCC EXPORT CREDIT SALES AND TITLE I PROGRAM  
IN EGYPT. I AM FRANKLY PUZZLED AT THIS CHANGED  
USDA ATTITUDE. PERHAPS WE ARE MISREADING USDA'S  
INTENTIONS, BUT FROM WHAT WE HAVE BEEN TOLD IN  
VARIOUS COMMUNICATIONS CITED REFTEL, IT SEEMS  
TOTALLY INCONSISTENT WIT USG POLICY OF THE LAST  
THREEEE YEARS TO PROVIDE NEEDED ECONOMIC SUPPORT TO  
THE SADAT GOVERNMENT THROUGH THE VARIOUS MEANS  
AT OUR DISPOSAL. CERTAINLY ONE OF THE MAJOR ELEMENTS  
OF OUR ASSISTANCE PROGRAM IS TITLE I AND CCC HAS IN  
PAST ALSO BEEN HELPFUL.

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2. I HOLD NO BRIEF FOR GOE'S  
PERSISTENT SLOWNESS IN MAKING PAYMENTS, BUT THE  
FACT IS THAT AS RESULT OF OUR CONSTANT PRODDINGS  
IT HAS KEPT REASONABLY WELL UP TO DATE ON AID  
LOANS AND OWES RELATIVELY SMALL AMOUNT (ABOUT \$2  
AND A HALF MILLION) ON CCC ACCOUNT. WE WILL CONTINUE

URGE GOE MAKE TIMELY PAYMENTS ON ITS OUTSTANDING  
LOAN OBLIGATIONS TO USG, BUT MUST ALSO RECOGNIZE  
GOE STILL SUFFERS FROM ACUTE LIQUIDITY PROBLEM.

3. THE HARD LINE POSITION SUDDENLY ADOPTED BY  
USDA, IF PURSUED, WILL BE VIEWED HERE AS A MAJOR  
CHANGE IN USG POLICY TOWARD EGYPT. TO THE EXTENT  
THAT IT COULD AFFECT NEEDED FOOD IMPORTS FOR MASSES.  
IT COULD ADVERSELY IMPACT ON SADAT'S ABILITY TO  
COOPERATE WITH US ON THE ME PEACE PROCESS. APART  
FROM THE ABOVE CONSIDERATIONS, IT SEEMS  
UNCONSCIONABLE FOR USDA TO TAKE ACTIONS NOW WHICH CAN ONLY EMBARRASS  
THE NEW ADMINISTRATION'S RELATIONSHIP WITH EGYPT AND AROUSE SUSPI-  
CIONS HERE ABOUT SINCERITY OF AVOWED USG DESIRE SUPPORT SADAT  
GOVT.  
EILTS

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NNN

## Message Attributes

**Automatic Decaptioning:** Z  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** POLICIES, EXPORT CREDIT GUARANTEES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 18 DEC 1976  
**Decaption Date:** 28 MAY 2004  
**Decaption Note:** 25 YEAR REVIEW  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** KelleyW0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976CAIRO17482  
**Document Source:** CORE  
**Document Unique ID:** 00  
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**Executive Order:** GS  
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**Film Number:** D760466-0127  
**From:** CAIRO  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Locator:** TEXT ON-LINE, ON MICROFILM  
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**Review Authority:** KelleyW0  
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**TAGS:** EAGR, EAID, EFIN, EG, US  
**To:** STATE  
**Type:** TE  
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